



# NEWS TO USE

*A newsletter for PERSI Employers*

July 2005

- ACS Acquires Mellon
- PERSI Conference
- Fax Numbers
- Notes

## MELLON BUSINESSES ACQUIRED BY ACS

Mellon's human resources consulting and outsourcing business — which provides support services for the PERSI Choice Plan — has been acquired by Affiliated Computer Services, Inc. (ACS), a Fortune 500 company based in Dallas, Texas. Founded in 1988, the company has \$5 billion in annual revenues, more than 50,000 employees, and a worldwide client base. ACS has promised a seamless transition so PERSI members should not experience any disruption or encounter any noticeable changes.

## PERSI HOSTS INVESTMENT CONFERENCE

PERSI hosted an investment managers conference June 8-9, 2005, at the Boise Depot. Organized by PERSI's Chief Investment Officer Bob Maynard, the event drew more than 100 investment managers from London, New York, San Francisco, Denver, Philadelphia, and Los Angeles.

Since the last conference three years ago, PERSI has seen changes in its Retirement Board, investment managers, and consultants. In addition, the market has undergone many ups and downs. According to Bob, "This conference was organized to test the appropriateness of the PERSI investment posture for both the near and medium term investment environment."

When explaining PERSI's investment posture and strategies, Bob cited three developments that dominated the thinking. First, the rebound following the recession and equity bear market was only going to take a year or two, rather than being a long, drawn-out process. Second, the capital markets over the next 20 years would be very different from the previous 20 years. And third, PERSI cannot and should not rely on larger macro themes to carry the burden of continued excellent absolute and relative returns. He went on to describe PERSI's position as being more like a tortoise than a hare when it comes to reaching for returns. "We are looking to limit our exposure and are hoping the parts of our portfolio that have not added to excess returns will soon begin to produce," noted Bob.

Conference goers learned that PERSI is fortunate to have a legislature and Board with a good sense

of the importance of managing the liability side of the pension fund equation. Both entities have always felt any benefit increases must be paid for by a corresponding increase in contribution rates. Thanks to this conservative position, PERSI did not fall into the trap many retirement systems did in the 90s of either lowering contribution rates too much or permanently increasing benefits — or both.

Besides learning more about PERSI, its governing structure, investment goals, recent performance, and current investment posture, attendees discussed a wide range of economic and capital market topics, which included:

- Consensus Economic and Market Views
- U.S. and Developed Market Economies
- Consumer Debt and the Twin Deficits
- Developed World Capital Markets
- Liquidity, Risk Tolerance, Credit Spreads
- Fixed Income Markets
- Institutional Return Expectations
- Hedge Funds
- Developed World Equity Markets
- Technology Sector
- Re-rating Large Cap Quality Growth
- Real Estate and Private Equity

On the final day of the conference, Bob moderated a panel discussion at a Boise City Club luncheon, which was broadcast on National Public Radio 91.5, Boise State radio. City Club members and guests were invited to ask questions about the world's capital markets. As a follow on, the *Idaho Business Review* ran an article titled "Why PERSI Managers Like Foreign Markets" in its June 20<sup>th</sup> issue.

# FAXING FORMS TO PERSI - It's easier than you think

To make it simple for employers to easily and quickly send forms to PERSI, it makes sense to occasionally publish the fax numbers of various departments along with a list of some of the most commonly requested forms. Below are the fax numbers and just a few of the many forms available on line at [www.persi.state.id.us](http://www.persi.state.id.us).

## BENEFITS (208) 334-3805

RS-109 Notice of Separation

RS-108 Request for Base Plan Withdrawal

RS-130 Certification of City or County Employee's 8-Month Seasonal

RS-132 Certification of Employment of a Retired Member

## MEMBERSHIP (208) 334-2673

RS-102 Membership Application

RS-115 Base Plan and Choice Plan Beneficiary and Name Change

RS-118 Certification of Police Officer Status

RS118a Certification of PERSI Firefighter Status

## ADMINISTRATION (208) 334-3804

## FISCAL DEPARTMENT (208) 334-4026

## CHOICE PLAN / COMMUNICATIONS / TRAINING (208) 334-2086

## COEUR D'ALENE SERVICE OFFICE (208) 769-1476

## POCATELLO SERVICE OFFICE (208) 236-6159

For forms not available on line, you can request them by calling (800) 451-8228 or (208) 334-3365, or by emailing Judy Shock at [jshock@persi.state.id.us](mailto:jshock@persi.state.id.us).

### New forms available on the PERSI Web site are:

- Choice Plan 401(k) Rollover Contribution
- Choice Plan Distribution-Rollover
- Special Tax Notice



Winning artwork by Josiah Colt

### Notes

Kris Colt, a PERSI IT professional, has a talented artist in his family. His son Josiah (age 17) recently entered a Patriotic Art contest sponsored by the Veterans of Foreign Wars (VFW) Ladies Auxiliary. As the local winner in his high school, Josiah's artwork (at left) was placed into the state competition, where it also won the top prize. Next, his drawing was submitted to the VFW national headquarters along with entries from each state. Although Josiah's artwork was not selected as the national winner, PERSI proudly recognizes this young man's artistic talent and applauds his competitive spirit.